

MONTANA DEPARTMENT OF ENVIRONMENTAL QUALITY

Permitting and Compliance Division

Industrial and Energy Minerals Bureau
Coal and Uranium Program

ANNUAL REPORT

Information through June 30, 2015

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Data Compiled by:

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Coal and Uranium Program
Industrial and Energy Minerals Bureau
Permitting and Compliance Division
Department of Environmental Quality

COAL MINING

ACREAGE PRESENTLY BONDED UNDER STRIP MINE PERMITS

COMPANY	PERMIT #	AC PMTD	BOND RETAINED
BIG SKY COAL COMPANY	C1983004CR	1,752.00	\$1,788,530.72
BIG SKY COAL COMPANY	C1988004B	5,472.00	\$3,391,302.80
COAL CREEK	80009C	120.00	\$0.00
DECKER COAL COMPANY	C1983007	4,361.00	\$68,546,782.00
DECKER COAL COMPANY	C1987001C	7,357.00	\$63,892,855.00
SIGNAL PEAK ENERGY	C1993017	14,896.00	\$11,700,000.00
SPRING CREEK COAL COMPANY	C1979012	9,126.00	\$119,900,000.00
WESTERN ENERGY	C1981003E	1,470.00	\$1,190,812.00
WESTERN ENERGY	C1984003B	6,140.00	\$48,403,696.00
WESTERN ENERGY	C1985003C	9,382.00	\$56,207,281.00
WESTERN ENERGY	C1986003A	4,191.00	\$19,120,740.00
WESTERN ENERGY	C1986003D	4,554.00	\$20,134,194.00
WESTMORELAND RESOURCES INC.	C1985005	7,110.00	\$25,550,593.00
WESTMORELAND SAVAGE CORP.	C1984002	1,284.00	\$7,936,457.00
TOTALS		77,215	\$447,763,243.52

Coal Creek does not have a bond (Bond Forfeiture Site). This site is undergoing final reclamation by MDEQ.

MONTANA COAL MINING COMPANIES

Decker Coal Company
P.O. 12
Decker, MT 59025-0012

Western Energy Company
PO Box 99
Colstrip, MT 59323-0099

Westmoreland Resources, Inc.
P.O. Box 449
Hardin, MT 59034-0449

Big Sky Coal Company
PO Box 97
Colstrip, MT 59323-0097

Spring Creek Coal Company
P.O. Box 67
Decker, MT 59025-0067

Westmoreland Savage Corp.
P.O. Box 30
Savage, MT 59262

Signal Peak Energy
100 Portal Drive
Roundup, MT 59072

MONTANA COAL MINING COMPANIES W/PENDING MINING APPLICATION

Western Energy Company (Area F)
PO Box 99
Colstrip, MT 59323-0099

Otter Creek Coal, LLC
P.O. Box 7152
Billings, MT 59103

RECLAMATION ONLY OR INACTIVE

Coal Creek
Clayton Tonnemaker (Deceased)
212 S. Cudd
River Falls, WI 54022

ACTIVE PROSPECTING COMPANIES

Spring Creek Coal Company
P.O. Box 67
Decker, MT 59025-0067

Western Energy Company
PO Box 99
Colstrip MT 59323-0099

Otter Creek Coal, LLC
P.O. Box 7152
Billings, MT 59103

Westmoreland Resources, Inc.
P.O. Box 449
Hardin, MT 59034-0449

Great Northern Project Development
601 Jefferson Street, Suite 3600
Houston, TX 77002

Great Northern Properties, L.P
601 Jefferson Street, Suite 3600
Houston, TX 77002

Signal Peak Energy
100 Portal Drive
Roundup, MT 59072

Decker Coal Company
P.O. 12
Decker, MT 59025-0012

PENDING PROSPECTING COMPANIES

No pending prospecting applications during this period.

PENDING MAJOR MINE PERMIT APPLICATIONS

I. New Permit Applications

1. Maple Carpenter Creek
Application: #331: Test Pit Application
Received: 9/18/2009
Declared Complete: 1/15/2010
Declared Acceptable: Withdrawn
Issued: Withdrawn
2. Western Energy Company (Area F)
Application: C2011003F
Received: 11/2/2011
Declared Complete: 8/1/2012
Declared Acceptable: Pending
Issued: Pending
3. Otter Creek Coal Company (Otter Creek)
Application: C2012018
Received: 7/26/2012
Declared Complete: 12/14/2012
Declared Acceptable: Pending
Issued: Pending

II. Pending/Completed Amendments and Major Revisions at Existing Mines

1. Western Energy Company (Area B)
Application 00184 (AM4): Additional 49 acres
Received: 6/15/2009
Declared Complete: 8/7/2009
Declared Acceptable: Pending
Issued: Pending
2. Westmoreland Resources, Inc. (Absaloka)
Application 00186 (AM4): Tract III West
Received: 2/26/2010
Declared Complete: 10/18/2010
Declared Acceptable: Pending
Issued: Pending
4. Signal Peak Energy LLC (Bull Mountain Coal Mine #1)
Application TR2: Waste Disposal Area No. 2
Received: 8/18/2014
Declared Complete: 2/23/2015
Declared Acceptable: Pending
Issued: Pending
5. Spring Creek Coal, LLC (Spring Creek)
Application TR1: Adding BLM I and LUL in Pit #2
Received: 11/1/2013
Declared Complete: 12/6/2013
Declared Acceptable: Pending
Issued: Pending

III. Renewals and Transfers at Existing Mines

1. Western Energy Company (Area B)
Application for 5-year Renewal of C1984003B
Received: 4/8/2015
Declared Complete: 5/27/2015
Declared Acceptable: Pending
Issued: Pending

PERMITTED AND DISTURBED ACREAGE

Company	Permit No	Permitted Acreage ¹	Current Disturb	Facilities ²	Active Mining ³	Current Backfill ⁴	Current Soiled/seeded ⁵	10-Year seeded ⁶	Cumul. Disturb ⁷	Cumul. Backfill	Cumul soiled/seeded	Cumul 10-year seeded
Western Energy*	C1986003A	4191.0	51.9	459.1	901.6	-1.1	0.0	0.0	2856.1	1495.4	1496.5	1260.6
Western Energy*	C1984003B	6140.0	147.7	461.5	2305.2	105.7	21.6	2.3	4077.3	1310.6	1202.1	1087.5
Western Energy*	C1985003C	9382.0	90.7	834.0	2488.0	-64.8	0.0	5.8	6801.7	3479.7	3257.4	1666.3
Western Energy*	C1986003D	4554.0	0.4	171.5	456.7	0.0	0.0	0.0	3109.7	2481.5	2289.9	993.8
Western Energy*	C1981003E	1470.0	-14.9	35.1	0.0	-3.9	0.0	62.7	1248.1	1213.0	1216.9	1216.9
Westmoreland*	C1985005	7110.0	-15.0	593.0	820.0	30.0	18.0	55.0	4919.0	3506.0	2866.0	2265.0
Decker Coal Co.*	C1983007	4361.0	8.9	914.9	804.4	14.52	0.0	0.0	2167.2	447.9	407.35	362.3
Decker Coal Co.*	C1987001C	7357.0	0.0	1184.9	1148.9	76.15	0.0	0.0	5578.18	3244.4	2553.43	1268.74
Big Sky Coal Co.*	C1983004CR	1752.0	0.0	0.0	0.0	0.45	0.0	0.0	1665.61	1665.61	1665.2	1445.86
Big Sky Coal Co.*	C1988004B	5472.0	0.0	0.0	0.0	0.0	0.0	121.3	2253.1	2253.1	2253.4	889.0
Westmoreland Savage*	C1984002	1284.0	17.0	110.4	372.1	12.3	12.3	0.0	746.9	264.4	242.8	225.0
Spring Creek Coal*	C1979012	9126.0	142.1	996.8	2171.5	58.3	75.6	37.39	4371.1	1202.8	1173.5	552.7
Bull Mountain Coal*	C1993017	14896.0	38.9	584.4	0.0	8.1	3.5	0.0	610.1	25.7	10.8	0.0
Totals		77095	467.7	6345.6	11468.4	235.72	131	284.49	40404.09	22590.11	20635.28	13233.7

* Updated for Annual Report reporting year (January 1, 2014-December 31, 2014)

These numbers are collected from the current Annual Report reporting year (January 1, 2014-December 31, 2014) for each mine. Occasionally a minor revision or incidental boundary change may be approved during the year; the permitted acreages will be updated as that occurs.

All acres permitted are not scheduled for disturbance. There are various levels of disturbance, ranging from "associated" to "mine level". Associated disturbance consists of soil stockpiles, sediment ponds, other facilities, and mine level disturbance is actual coal removal area. Bonding is calculated partially on the type of disturbance an area is scheduled for. For those permitted areas not subject to any surficial disturbance, bonding is minimal.

Negative numbers are the results of corrections for errors in previous reports.

¹ Permitted Acreage is the total acreage included in the surface mine permit area.

² Includes facilities that will be in place for about one year or more, such as: roads, railroads, load out facilities, mine offices, equipment storage areas, coal storage barns, dams and impoundments, conveyor routes or other routes, powerlines, pipelines, etc.

³ Includes all surface acreage which has been disturbed by mining, soil salvage, removal of vegetation (e.g. logging, etc.) to facilitate soil salvage, facilities construction, or occupied by facilities. Disturbed acreage is equivalent to the sum of current active mining + current facilities + current complete backfilled and graded.

⁴ Includes facilities present at the time of reporting, such as: roads, ramps, railroads, loadout facilities, mine offices, equipment storage areas, coal storage barns, dams and impoundments, soil stockpiles, overburden stockpiles, conveyor routes, etc. Includes all surface acreage which has been disturbed by mining, soil salvage, removal of vegetation (e.g. logging, etc.) to facilitate soil salvage, facilities construction, or occupied by facilities. Disturbed acreage is equivalent to the sum of current active mining + current facilities + current complete backfilled and graded.

⁵ Acreage intended as final reclamation, soiled and seeded, and planted with permanent seed mixtures and seedlings (ARM 17.24.702 and 725)

⁶ Acres which were planted in the reporting period 10 years prior to this reporting period (ARM 17.24.725).

⁷ Includes all surface which has been disturbed. (Cumulative Disturbance = **Facilities + Active Mining + Complete Backfill and Grading**)

Coal Enforcement

Active Violations from July 1, 2014 through June 30, 2015

COMPANY	N.O.N.#	FID	DATE ISS	VIOLATION	A.R.M./M.C.A.#	Resolution Date	NOV ISSUED
Western Energy Company-Rosebud Coal Mine Area B	NON14-03-01	2368	9/18/14	<p>The Permittee discovered that a portion of sediment trap TD-132-1 was constructed outside the approved permit boundary. The location of the trap disturbance and approved permit boundary were verified by the Permittee using AutoCAD and in the field. An area approximately 30 feet wide by 200 feet long that was stripped of soil and prepared for the construction of Sediment Trap TD-132-1 was located outside the permit boundary.</p> <p>The Permittee self-reported this noncompliance in a phone call to Chris Yde on September 8, 2014, and submitted a letter to the DEQ describing the noncompliance on September 10, 2014.</p>	84-4-221	10/15/14	No
Western Energy Company-Rosebud Coal Mine Area B	NON14-03-03	2368	10/28/14	<p>Not all of the soil suitable for reclamation was salvaged; spoil had been pushed out onto a vegetated area without salvaging the underlying soil resource.</p> <ul style="list-style-type: none"> • Soil was pushed up onto a steep spoil bank creating a condition where soil was being degraded by spoil. • The operator failed to appropriately segregate topsoil and subsoil stockpiles. 	17.24.701(1), 17.24.701(2), 17.24.701(3), and 17.24.702(2)	11/18/14	No

Western Energy Company- Rosebud Mine Area B	NON14-03-04	2368	10/28/14	Although permit Exhibit D-2 shows that a sediment pond (PO-131) will be constructed for disturbance in drainage 131, disturbance in drainage 131 occurred without construction of the sediment pond or other treatment facilities near the southern (downstream) disturbance limit	17.24.639	12/17/14	No
Westmoreland Resources- Absaloka Mine	NON14-05-03	2307	7/8/14	Upon review of the 2013 Annual Mine Report Aerial Photo Map (photo date December 27, 2013) it was noted that land disturbance was taking place before construction of the downstream sediment pond (labeled 1W) was complete.	17.24.639	9/5/14	No
Decker Coal Company- East Decker Coal Mine	NON14-07-01		10/10/14	On March 7, 2013, the Permittee submitted Minor Revision (MR) 51 to DEQ describing plans for the enlargement of the Coal Creek impoundment. On June 11, 2013, the Permittee was notified that MR 51 would be approved pending the receipt of updated permit materials. During an inspection on September 17, 2014, it was documented that work on the impoundment was in progress, including soil stripping and stockpiling. At the time of the inspection, DEQ had neither received the updated permit materials nor approved MR 51; therefore, the Permittee implemented a revision to their permit before obtaining DEQ approval.	17.24.415(2)	10/27/14	No

Western Energy Company- Rosebud Mine Area A	NON14-03-02	2368	9/24/14	<p>The Permittee conducted a 747,391-pound cast blast (shot) on the east leg of mine passes in Area A. The shot was detonated from south to north in successive rows. The open face was between Colstrip and the shot. Winds were out of the NE at approximately 15 miles per hour. The operator reported moisture in the air from the power plant and cloud cover.</p> <p>The shot was monitored in three locations at the edge of the town of Colstrip using Instantel seismographs. Two of the three seismographs recorded a maximum airblast that exceeded the limits set forth in the regulations: 142 dB and 139 dB at 3.8 Hertz and 5.1 Hertz respectively. The maximum airblast allowed is 129 dB at 6 Hertz or lower. The Permittee self-reported the issue via a phone call to the Department.</p>	17.24.624(6)(a)	10/23/14	No
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-01- is West Decker; -02- is Savage Mine; -03- is Rosebud Mine; -04- is Big Sky Mine; -05- is Absaloka Mine; -07- is East Decker; -12- is Spring Creek Mine; -17- is Bull Mountain Mine #1.; -11- is Blackjack I; -16- is Blackjack II; and -17- is Bull Mountains Mine #1.

INSPECTIONS, MAINTENANCE ITEMS AND MINOR REVISIONS

MINE NAME	COMPLETE INSPECTIONS	PARTIAL/AERIAL INSPECTIONS	NEW MAINT. ITEM	COMPLETED MAINT. ITEM	MINOR REVISIONS RECEIVED	MINOR REVISIONS COMPLETED
Big Sky A	4	1	0	0	0	1
Big Sky B	4	1	2	0	0	1
Coal Creek	0	0	0	0	0	0
Decker (East)	5	9	9	7	10	9
Decker (West)	4	11	12	10	5	9
Signal Peak Energy	4	12	16	20	25	27
Spring Creek	5	9	10	9	13	14
Western Energy A	4	10	4	3	4	3
Western Energy B	4	10	8	7	11	12
Western Energy C	4	12	4	3	9	9
Western Energy D	4	10	4	4	3	5
Western Energy E	4	1	2	1	1	0
Westmoreland	5	11	26	26	3	5
Westmoreland Savage	5	7	1	1	0	2
Totals	56	104	98	91	84	97

BOND RELEASE ACTIVITY; TABLES TO FOLLOW

- I. Completed Bond Releases
 - A. Phase I
 - B. Phase II
 - C. Phase III
 - D. Phase IV or Full Release
 - E. Administrative, or Lands not Disturbed

- II. Pending Bond Release Applications
 - A. Phase I
 - B. Phase II
 - C. Phase III
 - D. Phase IV or Full Release

- III. Withdrawn Bond Release Applications

I. Completed Bond Releases

A. Phase I Bond Release Applications**

APP. #	COMPANY	AREA	DATE REC'D	DATE RELEASED	AMT RELEASED	PHASE	ACRES RELEASED
4	Westmoreland Resources, Inc.	Absaloka Mine	18-Jun-85	20-Feb-86	\$916,983.00	I	370
5	Western Energy Company Rosebud Mine	B	20-Oct-86	23-Jul-87	\$1,135,794.00	I	449.5
6	Warburton	BJ I	30-Dec-86	25-Feb-87	\$9,528.75	I	10
7	Western Energy Company Rosebud Mine	A	26-Mar-87	04-Jan-88	\$1,295,206.00	I	521
8	Hathaway		20-Mar-87	27-May-87	\$34,939.20	I	17
9	Westmoreland Resources, Inc.	Absaloka Mine	04-Apr-89	03-Jan-90	\$0.00	I	70.7
10	Big Sky Coal Company	A	26-Jan-88	8-Dec-03	\$9,085,762.85	I	823.43
11	Western Energy Company Rosebud Mine	A	04-Mar-88	07-Jun-96	\$0.00	I	64
12	Western Energy Company Rosebud Mine	B	04-Mar-88	07-Jun-96	\$0.00	I	151.5
13	Western Energy Company Rosebud Mine	C	04-Mar-88	07-Jun-96	\$0.00	I	72
20	Westmoreland Resources, Inc.	Absaloka Mine	17-Apr-91	05-Aug-91	\$0.00	I	276.5
21	Westmoreland Resources, Inc.	Absaloka Mine	04-May-93	24-Aug-93	\$0.00	I	247.0
28	Westmoreland Resources, Inc.	Absaloka Mine	03-Jul-95	06-Jun-96	0	I	262.0
39	Westmoreland Resources, Inc.	Absaloka Mine	17-Aug-98	13-May-99	\$700,965.00	I	126.3
51	Westmoreland Resources, Inc.	Absaloka Mine	10-May-00	19-Nov-01	\$1,051,725.00	I	189.5
53	Westmoreland Resources, Inc.	Absaloka Mine	08-Aug-01	22-Mar-02	\$0.00	I	608.5
57	Decker Coal Company	East Pits	24-Sep-02	13-Jan-04	\$943,737.91	I	362.3
58	Decker Coal Company	West Pits	24-Sep-02	13-Jan-04	\$198,322.51	I	1384.5
61	Big Sky Coal Company	B	3-Jun-05	9-Apr-07	\$2,385,247.00	I	1,490
62	Western Energy Company Rosebud Mine	A	04-Aug-06	29-Sept-06	\$299,321.00	I	93

68	Westmoreland Resources, Inc.	Absaloka Mine	30-Aug-04	19-Jan-05	\$0.00	I	276.5
71	Western Energy Company Rosebud Mine	D	01-Feb-05	31-Jul-06	\$102,747.00	I	79.9
75	Western Energy Company Rosebud Mine	A	27-Apr-06	9-April-07	\$820,860.00	I	254.7
77	Western Energy Company Rosebud Mine	C	July 2006	27-Feb-07	\$0.00	I	122.2
78	Western Energy Company Rosebud Mine	C	01-Nov-06	14-Nov-07	\$0.00	I	109.9
81	Western Energy Company Rosebud Mine	D	14-May-07	10-Jul-08	\$0.00	I	229.6
84	Western Energy Company Rosebud Mine	C	02-Jul-07	09-Apr-08	\$0.00	I	192.2
85	Western Energy Company Rosebud Mine	C	20-Nov-07	10-Jul-08	\$0.00	I	226.9
86	Western Energy Company Rosebud Mine	B	26-Nov-07	08-Sep-08	\$0.00	I	381.6
91	Western Energy Company Rosebud Mine	E	19-Sep-08	12-Feb-09	\$0.00	I	6.5
107	Decker Coal Company	West	19-Mar-10	22-Mar-11	\$5,950,598.00	I	607.7
109	Spring Creek Coal Company		24-Aug-10	15-Feb-11	\$0.00	I	305.0
SL18	Westmoreland Resources, Inc.	Absaloka	11-Jul-11	16-May-12	\$0.00	I	340.0
SL6	Spring Creek Coal Company		25-Aug-11	6-Mar-12	\$0.00	I	157.0
SL7	Spring Creek Coal Company		2-Mar-12	28-Sep-12	\$0.00	I	35.40
SL3	Decker Coal Company	East	4-Jun-12	8-May-13	\$0.00	I	43.0
SL4	Decker Coal Company	West	4-Jun-12	8-May-13	\$0.00	I	498.00
SL13	Western Energy Company Rosebud Mine	E	09-Sep-10	04-Apr-14	\$78,076.00	I	15.0
SL10	Western Energy Company Rosebud Mine	D	05-Sep-12	11-Jul-13	\$8,526,778.00	I	872.0
SL6	Big Sky Coal Mine	Area A	19-Sep-12	7-Jul-14	\$69,530.72	I	96

SL5	Big Sky Coal Mine	Area B	10/4/2012	11/14/14	\$0.00	I	97
Total bond amount and acres released:					\$33,606,121.94		12,534.83

**Phase I Bond Release Applications released prior to 1989 is equivalent to Phase I and II bond release now.

B. Phase I and II Bond Release Applications

APP. #	COMPANY	AREA	DATE REC'D	DATE RELEASED	AMT RELEASED	PHASE	ACRES RELEASED
19	Warburton	BJ II	03-Dec-90	12-Jul-91	\$0.00	I AND II	22.6
22	Western Energy Company Rosebud Mine	E	19-Sep-94	07-Jun-96	\$449,475.00	I AND II	47.1
24	Western Energy Company Rosebud Mine	A	23-Mar-95	07-Jun-96	\$0.00	I AND II	218
25	Western Energy Company Rosebud Mine	B	23-Mar-95	07-Jun-96	\$0.00	I AND II	85.8
26	Western Energy Company Rosebud Mine	C	23-Mar-95	07-Jun-96	\$0.00	I AND II	145
27	Western Energy Company Rosebud Mine	E	23-Mar-95	07-Jun-96	\$4,010,932.00	I AND II	420.3
29	Meridian	TEST PIT	11-Jul-95	09-Apr-96	\$0.00	I AND II	6.09
30-B	Western Energy Company Rosebud Mine	C	26-Jan-96	16-Mar-04	\$108,252.00	I AND II	52.2
31	Western Energy Company Rosebud Mine	A	10-Jun-96	31-Jul-97	\$0.00	I AND II	200
32	Western Energy Company Rosebud Mine	B	10-Jul-96	31-Jul-97	\$0.00	I AND II	1
33	Western Energy Company Rosebud Mine	C	10-Jul-96	31-Jul-97	\$0.00	I AND II	565
34	Western Energy Company Rosebud Mine	D	10-Jul-96	31-Jul-97	\$0.00	I AND II	177.8
35	Western Energy Company Rosebud Mine	E	10-Jul-96	31-Jul-97	\$2,196,799.00	I AND II	230.2
36	Western Energy Company Rosebud Mine	A	16-May-97	14-Feb-00	\$0.00	I AND II	115
37	Western Energy Company Rosebud Mine	B	16-May-97	03-Sep-98	\$0.00	I AND II	25
38	Western Energy Company Rosebud Mine	C	16-May-97	03-Sep-98	\$0.00	I AND II	154

41	Western Energy Company Rosebud Mine	D	29-Jul-98	14-Feb-00	\$0.00	I AND II	118.1
42	Western Energy Company Rosebud Mine	E	29-Jul-98	14-Feb-00	\$1,452,445.00	I AND II	152.2
44	Western Energy Company Rosebud Mine	A	10-Sept-99	12-6-00	\$0.00	1 AND II	91
46	Western Energy Company Rosebud Mine	D	10-Sept-99	12-6-00	\$0.00	1 AND II	91.9
48	Western Energy Company Rosebud Mine	B	10-Apr-00	29-Jan-04	\$0.00	I AND II	42.8
49	Western Energy Company Rosebud Mine	D	10-Apr-00	29-Jan-04	\$0.00	I AND II	91.7
50	Western Energy Company Rosebud Mine	E	10-Apr-00	29-Jan-04	\$0.00	I AND II	251.2
52	Spring Creek Coal Company		2-Mar-01	12-Dec-01	\$0.00	I AND II	63.9
56	Western Energy Company Rosebud Mine	D	25-Sep-04	13-Apr-06	\$0.00	I AND II	382.5
61	Big Sky Coal Company	B	31-May-05	9-April-07	\$2,385,247.00	I AND II	1490
66	Western Energy Company Rosebud Mine	C	21-Sep-04	13-Apr-06	\$0.00	I AND II	1127.9
79	Westmoreland Resources, Inc.	Absaloka	25-Aug-06	16-Jul-07	\$0.00	I AND II	449.0
83	Spring Creek Coal Company	N/A	28-June-07	19-Nov-08	\$420,000.00	I AND II	423.0
94	Big Sky Coal Mine	Area B	06-July-09	08-July-11	\$2,267,776.40	I AND II	1891.7
95	Big Sky Coal Mine	Area A	29-May-09	08-July-11	\$1,312,050.08	I AND II	140.2
97	Westmoreland Resources, Inc.	Absaloka	12-Jun-09	19-Jan-10	\$0.00	I ANDII	460.0
SL5	Big Sky Coal Mine	Area A	19-Jul-12	27-Feb-13	\$0.00	I AND II	4.8
Total bond amount and acres released					\$14,602,976.48		9736.99

C. Phase II Bond Release Applications

APP. #	COMPANY	AREA	DATE REC'D	DATE RELEASED	AMT RELEASED	PHASE	ACRES RELEASED
39	Westmoreland Resources, Inc.	Absaloka Mine	07-Oct-98	13-May-99	\$0.00	II	847
51	Westmoreland Resources, Inc.	Absaloka Mine	10-May-00	19-Nov-01	\$0.00	II	62.50
57	Decker Coal Company	East Pits	24-Sep-02	13-Jan-04	\$198,322.51	II	81.4
58	Decker Coal Company	West Pits	24-Sep-02	13-Jan-04	\$943,737.91	II	523.9
68.2	Westmoreland Resources, Inc.	Absaloka Mine	31-Aug-04	19-Nov-05	\$0.00	II	557
82	Westmoreland Resources, Inc.	Absaloka	25-June-07	19-Dec-08	\$0.00	II	316.5
89	Western Energy Company Rosebud Mine	A	08-Aug-09	12-Feb-09	\$0.00	II	13.3
91	Western Energy Company Rosebud Mine	E	19-Sep-09	12-Feb-09	\$0.00	II	40.5
109	Spring Creek Coal Company		24-Aug-10	15-Feb-11	\$0.00	II	52.7
SL6	Spring Creek Coal Company		25-Aug-11	6-Mar-12	\$0.00	II	29.0
SL7	Spring Creek Coal Company		2-Mar-12	28-Sep-12	\$0.00	II	55.9
SL3	Decker Coal Company	East	4-Jun-12	8-May-13	\$0.00	II	218.0
SL4	Decker Coal Company	West	4-Jun-12	8-May-13	\$0.00	II	595.00
SL13	Western Energy Company Rosebud Mine	E	09-Sep-10	04-Apr-14	See Phase I Application for Total Requested	II	15.0
SL6	Big Sky Coal Mine	Area A	19-Sep-12	30-Jul-14	See Phase I Application for Total Requested	II	181.0
SL5	Big Sky Coal Mine	Area B	4-Oct-12	30-Jul-14	\$0.00	II	448.0
Total bond amount and acres released:					\$1,142,060.42		4036.7

D. Phase III Bond Release Applications

APP. #	COMPANY	AREA	DATE REC'D	DATE RELEASED	AMT REQUESTED FOR RELEASE	PHASE	ACRES REQUESTED FOR RELEASE
67	Western Energy Company Rosebud Mine	B	26-Apr-06	03-Mar-07	\$0.00	III	101.40
74	Western Energy Company Rosebud Mine	E	28-Apr-06	03-Mar-07	\$0.00	III	174.40
76	Western Energy Company Rosebud Mine	E	28-Apr-06	03-Mar-07	\$0.00	III	157.37
80	Big Sky Coal Company	Mine A	15-Sept-06	27-May-08	\$1,037,185.91	III	1,334.10
87	Westmoreland Savage Mine	Savage	21-Jul-08	10-Feb-09	\$0.00	III	130.5
88	Westmoreland Resources, Inc.	Absaloka	18-Jun-08	15-Dec-08	\$0.00	III	298.0
89	Western Energy Company Rosebud Mine	A	08-Aug-08	12-Feb-09	\$0.00	III	489.0
90	Western Energy Company Rosebud Mine	B	15-Aug-08	12-Feb-09	\$0.00	III	116.2
91	Western Energy Company Rosebud Mine	E	19-Sep-08	12-Feb-09	\$168,348.00	IIII	346.6
108	Big Sky Coal Company	Mine B	05-Oct-10	15-Feb-11	\$359,198.80	III	573.80
SL5	Big Sky Coal Mine	Area A	19-Jul-12	27-Feb-13	\$131,770.65	III	108.7
SL13	Western Energy Company Rosebud Mine	E	09-Sep-10	04-Apr-14	See Phase I Application for Total Requested	III	15.0
SL5	Big Sky Coal Mine	Area B	4-Oct-12	30-Jul-14	\$0.00	III	157.0
Total bond amount and acres requested for release:					\$1,696,503.36		4,002.07

E. Phase IV and Full Bond Releases -- Includes Permit Area Adjustments

APP. #	COMPANY	AREA	DATE REC'D	DATE RELEASED	AMT RELEASED	PHASE	ACRES RELEASED
A	Western Energy Company Rosebud Mine	B	26-Jan-79	31-Jan-79	\$10,167.50	FULL	2.5
B	Western Energy Company Rosebud Mine	A	01-Jul-80	28-Jul-80	\$46,832.10	FULL	14.0
C	Western Energy Company Rosebud Mine	A	10-Dec-82	25-Oct-83	\$195,398.50	FULL	57
D	Western Energy Company Rosebud Mine	B	30-Apr-87	23-Jun-89	\$11,551.00	FULL	4.4
18	Western Energy Company Rosebud Mine	Pit 6	13-Feb-90	08-Jul-91	\$134,692.00	FULL	63.9
29	Meridian	Huntley Load Out	11-Jul-95	12-Oct-95	\$11,394.00	FULL	6.91
30	Western Energy Company Rosebud Mine	C	21-Sep-00	16-Mar-04	\$0.00	FULL	49.6
43	Western Energy Company Rosebud Mine	Pit 6	17-Feb-99	26-Jul-05	\$1,085,805.00	FULL	500.5
59	Jesse Minor	Hathaway Coal Mine	23-Jan-04	8-June-04	\$23,292.80	FULL	18.08
73	Western Energy Company Rosebud Mine	Pit 6	13-Oct-05	07-Jun-06	\$44,988.00	FULL	20.4
96	Warburton	Blackjack I	21-Apr-09	14-May-10	\$2,000.00	FULL	10.0
103	Warburton	Blackjack II	21-Apr-09	14-May-10	\$1,400.00	FULL	7.0
SL13	Western Energy Company Rosebud Mine	E	09-Sep-10	04-Apr-14	See Phase I Application for Total Requested	FULL	15.0
SL7	Big Sky Coal Mine	Area A	21-May-14	14-Nov-14	\$212,888.00	FULL	409.0
Total bond amount and acres released					\$1,780,408.90		769.29

F. Administrative, or Lands Not Disturbed

The following releases of either lands or bond obligation occurred as a result of either taking undisturbed lands out of the permit area, recalculation of bond resulting in a significantly lower bond, or a ruling that the lands in question were double permitted, and an Act, other than the Montana Strip and Underground Mine Reclamation Act, had primacy.

APP. #	COMPANY	AREA	DATE REC'D	DATE RELEASED	AMT RELEASED	PHASE	ACRES RELEASED
1	Western Energy Company Rosebud Mine	E	04-Oct-83	29-Nov-83	\$1,003,757.12	FULL	240.0
14	Spring Creek Coal Company		14-Nov-88	08-Mar-89	\$2,942,816.00	NA*	NA*
15	Western Energy Company Rosebud Mine	D	06-Feb-89	28-Mar-89	\$1,206,539.00	NA*	NA*
16	Western Energy Company Rosebud Mine	E	06-Feb-89	28-Mar-89	\$5,643,638.00	NA*	NA*
17	Western Energy Company Rosebud Mine	B	06-Feb-89	28-Mar-89	\$2,142,954.00	NA*	NA*
19	Warburton	BJ II	03-Dec-90	12-Jul-91	\$23,125.00	I, II and FULL*	22.6
	Decker Coal Company	East	20-Jul-2002	6-Mar-03	\$2,428,178.00	NA	0
	Decker Coal Company	West	20-Jul-2002	6-Mar-03	\$24,557,298.00	NA	0
	Western Energy Company Rosebud Mine	E		10-1-02	\$10,279,065.00	NA	0
Total bond amount and acreage released:					\$50,227,370.12		262.6

II. Pending Bond Release Applications

A. Phase I Applications-Pending

APP. #	COMPANY	AREA	DATE REC'D	DATE RELEASED	AMT REQ FOR RELEASE	PHASE	ACRES REQUESTED FOR RELEASE
SL8	Spring Creek Coal Mine		7/2/2013		\$768,923.00	I	117.30
SL15	Western Energy Company Rosebud Mine	C	2/2/15		\$0.00	I	1,158.00
Total bond amount and acres requested for release					\$768,923.00		1,275.3

B. Phase II Applications-Pending

APP. #	COMPANY	AREA	DATE REC'D	DATE RELEASED	AMT REQUESTED FOR RELEASE	PHASE	ACRES REQUESTED FOR RELEASE
SL8	Spring Creek Coal Mine		7/2/2013		\$0.00	II	215.8
Total bond amount and acres requested for release:					0		215.8

C. Phase I and II (combined) -Pending

APP. #	COMPANY	AREA	DATE REC'D	DATE RELEASED	AMT REQUESTED FOR RELEASE	PHASE	ACRES REQUESTED FOR RELEASE
Total bond amount and acres requested for release:					\$0.00		0.0

D. Phase III Applications -Pending

APP. #	COMPANY	AREA	DATE REC'D	DATE RELEASED	AMT REQUESTED FOR RELEASE	PHASE	ACRES REQUESTED FOR RELEASE
SL8	Spring Creek Coal Mine		7/2/2013		\$0.00	III	417.0
Total bond amount and acres requested for release:					0		417.0

E. Phase IV or Full Applications - Pending

APP. #	COMPANY	AREA	DATE REC'D	DATE RELEASED	AMT REQUESTED FOR RELEASE	PHASE	ACRES REQUESTED FOR RELEASE
SL8	Big Sky Coal Mine	Area A	5/21/2014		\$229,788.00	IV	442.0
SL14	Western Energy Company Rosebud Mine	E	3/9/15		\$302,158.50	IV	373.0
SL9	Big Sky Coal Mine	Area A	12/15/14		\$6,600.00	IV	33.0
Total bond amount and acres requested for release:					\$538,546.50		848.0

III. Withdrawn or Denied Bond Release Applications

APP. #	COMPANY	AREA	DATE REC'D	DATE RELEASED	AMT REQUESTED FOR RELEASE	PHASE	ACRES REQUESTED FOR RELEASE
45	Western Energy Company Rosebud Mine	C	10-Sept-99	WITHDRAWN	\$0.00	I AND II	201.00
54	Western Energy Company Rosebud Mine	B	25-Sept-02	WITHDRAWN	\$497,546.74	I AND II	202.30
55	Western Energy Company Rosebud Mine	C	25-Sept-02	WITHDRAWN	\$693,171.36	I AND II	252.00
72	Spring Creek Coal Company		05-Aug-03	WITHDRAWN	\$300,000.00	I AND II	352.90
93	Western Energy Company Rosebud Mine	D	29-Jul-09	DENIED	\$0.00	I	350.1
Total bond amount and acres requested for release:					\$1,490,718.10		1358.3

COAL PROSPECTING

ACTIVE PERMITS BY COMPANY

<u>Permit Holders</u>	<u>County</u>	<u>Bond Held</u>	<u>Disturbed Acres</u>
Western Energy Co. (322)	Rosebud	\$39,600.00	114.0
Otter Creek Coal, LLC (334)	Powder River	\$21,000.00	5.5
Spring Creek Coal, LLC (336)	Big Horn	\$42,434.00	56.0
Great Northern Carpenter Creek, LP (337)	Musselshell	\$28,500.00	39.0
Signal Peak Energy, LLC (338)	Musselshell	\$62,400.00	107.0
Westmoreland Resources, Inc. (339)	Big Horn	\$15,600.00	28.0
Great Northern Properties, L.P. (341)	Powder River	\$22,853.60	30.0
Decker Coal Company (340)	Big Horn	\$44,824.00	59.0
Signal Peak Energy, LLC (342)	Yellowstone	\$49,600.00	79.0
Western Energy Co. (343)	Treasure	\$11,300.00	9.0
Totals		\$338,111.60	526.5

PROSPECTING PERMITS BY COUNTY

<u>County</u>	<u>Number of Permits</u>	<u>Total Acreage Permitted</u>
Powder River	2	35.5
Rosebud	1	114.0
Musselshell	2	146.0
Big Horn	3	143.0
Yellowstone	1	79.0
Treasure	1	9.0
TOTAL	10	526.5

Expired Permits - Bond Still Held

<u>Permit No.</u>	<u>Last Renew</u>	<u>Company</u>	<u>County</u>	<u>Bond Amt.</u>	<u>Acreage</u>	<u>Release Date</u>
136		Montana State University	Rosebud	\$0.00	16.3	
288	84	Peabody Coal Co.	Rosebud	\$29,200.00	18.3	
309	93	Big Sky Coal Co.	Rosebud	\$11,000.00	1.2	
303	97	Montco LLP	Rosebud	\$20,500.00	10.5	
313	97	Big Sky Coal Co.	Rosebud	\$25,800.00	15.8	
307	2000	Montco LLP	Powder River	\$0.00	0.0	6/22/2015
321	2006	Kennecott Energy	Powder River	\$16,000.00	5.2	
323	2006	Western Energy Co	Treasure	\$0.00	0.0	11/4/2013
326	2007	Carpenter Creek LLC (Shelhamer)	Musselshell	\$10,000.00	0.6	
325	2009	Nelson Creek Coal LLC (325)	McCone	\$0.00	0.0	11/4/2012
327	2010	Carpenter Creek LLC (Janich)	Yellowstone	\$0.00	0.0	1/22/2014
332	2010	Many Stars Mining, LLC (332)	Big Horn	\$0.00	0.0	7/9/2013
324	2011	Carpenter Creek LLC	Musselshell	\$0.00	0.0	12/10/2013
330	2013	Coal Mountain Mining, LP	Carbon	\$35,198.00	24.0	
335	2012	American Power Corporation	Judith Basin	\$3,600.00	13.0	
Total Bond yet held on Prospecting Permits as of 06/30/15				\$151,298.00	104.9	

